

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

GE CAPITAL LEASING CORPORATION,

Plaintiff,

- against -

PARAMETRIC TECHNOLOGY
CORPORATION,

Defendants.

Civil Action No. 07-11416 DPW

CORRECTED JOINT REPORT ON THE STATUS OF PROCEEDINGS IN JAPAN

Pursuant to this Court's Order of August 10, 2010, plaintiff GE Japan Corporation ("GEJ") (formerly GE Capital Leasing Corporation of Japan) and defendant Parametric Technology Corporation ("PTC/US") file this joint report on the status of proceedings in Japan.

Defendant PTC/US's Report:

1. Following this Court's Order of September 30, 2008 granting PTC/US's motion to dismiss (discussed below), on January 7, 2009, GEJ filed a lawsuit in the Tokyo District Court against PTC Japan Co., Ltd. ("PTCJ"), the Japanese subsidiary of PTC/US. In that lawsuit, GEJ sought to recover the same damages as had been sought in the instant action. PTC/US was not named as a party in the Japanese action.

2. Because GEJ had previously filed a lawsuit in the Tokyo District Court against three other Japanese corporations and certain of their subsidiaries arising out of the same transactions, the Tokyo District Court consolidated the lawsuit against PTCJ with this previously pending lawsuit.

3. The consolidated action then proceeded to trial, which concluded in July 2010. The parties are now awaiting a ruling from the Tokyo District Court, which is expected on November 17, 2010.

4. In the United States action, this Court's Order of September 30, 2008 granted the motion to dismiss of PTC/US. The Court indicated that it would retain jurisdiction for the sole purpose of enforcing the terms of the Stipulation of PTC/US. PTC/US has complied with all of its stipulated obligations and, thus, there has been no necessity for this Court to take any action. Notably, the Stipulation required PTC/US to submit to jurisdiction in Japan and acknowledge the enforceability of any judgment issued against PTC/US. To date, GEJ has not brought or attempted to bring any action against PTC/US in Japan and, thus, there are no issues relating to the Stipulation for the Court's consideration. PTC/US respectfully suggests that this case be removed from the Court's docket, subject to being re-opened for the limited purpose of enforcing the Stipulation if the same becomes necessary.

Plaintiff GEJ's Report:

1. Plaintiff GEJ has filed three actions in the Tokyo Courts, which are:
 - (i) an action against another defendant (Transcosmos, a software dealer) seeking rescission of contracts for the purchase of PTC software and services resulting from the fraudulent transactions which underlie the claim here against PTC/USA (contract action no. 1). PTC, which supplied the PTC software and services in these contracts, was invited into this action under a Japanese rule allowing such a procedure and has made an appearance;
 - (ii) the consolidated fraud action against PTC/USA's wholly-owned Japanese subsidiary and three other companies, and

(iii) a second contract action against (Transcosmos) seeking rescission of contracts for the purchase of PTC software and services resulting from the fraudulent leases which underlie the claim here against PTC/USA (contract action no. 2). PTC, which supplied the PTC software and services in these contracts, has been invited into this action under a Japanese rule allowing such a procedure, and is expected to make an appearance.

2. The Tokyo Courts have announced that they will render an opinion in contract action no. 1 on October 25, 2010. The Tokyo Courts have also announced that they will render an opinion in the fraud action against PTC/USA's wholly-owned Japanese subsidiary on November 17, 2010. The result of that decision will guide GEJ as to what steps are to be taken against PTC/USA, either here or in Japan as we await this Court's decision in this case so that we can consider the merits of any appeal by GEJ here.

3. Plaintiff GEJ suggests that this Court set another schedule for the middle of December, 2010, by which time Plaintiff GEJ should have been able to better determine what position to take vis-à-vis the claims against PTC/USA in this action.

GE JAPAN CORPORATION

By its attorneys,

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Dated: September 7, 2010

CERTIFICATE OF SERVICE

I, Andrew J. McElaney, Jr., hereby certify that I sent a copy of the foregoing documents to all counsel of record by ECF.

/s/ Andrew J. McElaney, Jr.
Andrew J. McElaney, Jr.

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